



# CITY OF HOUSTON INVITATION TO BID

Issued: April 15, 2016

## **BID OPENING**

Sealed bids (labelled with the company name, address and bid number), in duplicate, will be received by the City Secretary of the City of Houston, in the City Hall Annex, Public Level, 900 Bagby, Houston, Texas 77002, until **10:30 a.m., Thursday, May 19, 2016** and all bids will be opened and publicly read in the City Council Chamber, City Hall Annex, Public Level, 900 Bagby at 11:00 AM on that date for the purchase of:

**MAIL PROCESSING SERVICES FOR THE DEPARTMENT  
OF PUBLIC WORKS AND ENGINEERING  
BID INVITATION NO.: S74-L25787  
NIGP CODE: 915-58; 915-96; 96-600**

## **BUYER**

Questions regarding this solicitation document should be addressed to Elnora Williams at **832.393.0209**, or e-mail to **Elnora.Williams@houston.tx.gov**.

## **ELECTRONIC BIDDING**

In order to submit a bid for the items associated with this procurement, vendor must fill in the pricing information on the "**PLACE BID**" page.

## **PRE-BID CONFERENCE**

A Pre-Bid Conference will be held for all Prospective Bidders at 901 Bagby, Houston, Texas 77002 City Hall, (Basement), SPD Conference Room-# 2 at **10:30 a.m. on April 28, 2016**.

All Prospective Bidders are urged to be present. It is the Bidder's responsibility to ensure that they have secured and thoroughly reviewed the solicitation documents prior to the Pre-Bid Conference. Any revisions to be incorporated into this solicitation document arising from discussions before, during and subsequent to the Pre-Bid Conference will be confirmed in writing by Letter(s) of Clarification prior to the bid due date. Verbal responses will not otherwise alter the specifications, and terms and conditions as stated herein.

Bidding forms, specifications, and all necessary information should be downloaded from the Internet at <https://purchasing.houstontx.gov/>. By registering and downloading this solicitation document, all updates to this solicitation document will be automatically forwarded via e-mail to all registered Bidders. This information may also be obtained from the Supplier Assistance Desk, Strategic Purchasing Division, 901 Bagby (Concourse Level), Houston, Texas 77002.

The place of the bid opening may be transferred in accordance with Paragraph (b), (5) of Section 15-3 of The Code of Ordinances, Houston, Texas. The bid opening meeting may be rescheduled in accordance with Paragraph (b), (6) of said Section 15-3.

The City reserves the right to reject any or all bids or to accept any bid or combination of bids deemed advantageous to it.

City Employees are prohibited from bidding on this solicitation in accordance with the Code of Ordinances, Section 15-1.

### **\*CONTENTS:**

SECTION A: OFFER  
SECTION B: SCOPE OF WORK/SPECIFICATIONS  
SECTION C: GENERAL TERMS & CONDITIONS

**\*NOTE 1:** Actual page numbers for each Section may change when the solicitation document is downloaded from the Internet or because of Letters of Clarification. Therefore, Bidders must read the bid document in its entirety and comply with all the requirements set forth therein.

**\*NOTE 2:** To be considered for award, please submit the electronic bid form and the forms listed in Section A, including the Official Signature Page, which must be signed by a company official authorized to bind the company.

## SECTION A



**MAIL PROCESSING SERVICES FOR THE DEPARTMENT  
OF PUBLIC WORKS AND ENGINEERING  
BID INVITATION NO.: S74-L25787  
NIGP CODE: 915-59**

To The Honorable Mayor  
and Members of the City Council  
of the City of Houston (the "City"), Texas:

The undersigned Bidder hereby offers to contract with the City upon the terms and conditions stated in that certain "**Contract for MAIL PROCESSING SERVICES for a three-year period with two (2) one-year option periods to extend for the DEPARTMENT OF PUBLIC WORKS AND ENGINEERING,**" which was distributed by the City together with the "Notice to Bidders" and is hereby incorporated herein by this reference (the "contract"). This offer is made at the prices stated on the electronic bid form. When issued by the City of Houston, Letters of Clarification shall automatically become part of this bid document and shall supersede any previous specifications or provisions in conflict with the Letters of Clarification. It is the responsibility of the Bidder to ensure that it has obtained all such letters. By submitting a bid on this project, Bidder shall be deemed to have received all Letters of Clarification and to have incorporated them into its bid.

The City may accept this bid offer by issuance of a contract covering award of said bid to this Bidder at any time on or before the 180<sup>th</sup> day following the day this Official Bid Form is opened by the City. This offer shall be irrevocable for 180 days, but shall expire on the 181<sup>st</sup> day unless the parties mutually agree to an extension of time in writing.

The City of Houston reserves the option, after bids are opened, to increase or decrease the quantities listed, subject to the availability of funds, and/or make award by line item.

If the City accepts the foregoing offer, this Bidder promises to deliver to the City Chief Procurement Officer of the City, five (5) original counterparts of said contract duly executed by this Bidder (as "Contractor") in accordance with this paragraph, proof of insurance as outlined in Article II of the contract, all on or before the tenth (10<sup>th</sup>) day following the day this Bidder receives from the City the unsigned counterparts shall be executed so as to make it binding upon the Bidder, and all of the applicable requirements stated in the document entitled "Instructions for Execution of Contract Documents," (which was distributed by the City) shall be complied with.

The City reserves the right to cancel this ITB, accept or reject, in whole or in part, any or all bids received and to make award on the basis of individual items or combination of items, as it is deemed in the best interest of the City.

If the City accepts the foregoing offer, this Bidder shall furnish all labor, supervision, materials, supplies, equipment and tools necessary to provide **MAIL PROCESSING SERVICES** for the City in accordance with attached specifications.

**Additional Required Forms to be included with this Bid:**

In addition to the Electronic Bid Form and the Official Signature Page, the Forms listed in Table 1 **must be completed and submitted to the Office of the City Secretary on or before the date and time the bid is due.** When submitting bids via UPS/FedEx, etc. please label it with the name: Office of the City Secretary, City Hall Annex, Public Level, 900 Bagby, Houston, Texas 77002, along with the bid/proposal number:

<b>TABLE 1 - REQUIRED FORMS</b>
Affidavit of Ownership.doc
Fair Campaign Ordinance.doc
Statement of Residency.doc
Conflict of Interest Questionnaire.doc
Pay or Play Program Acknowledgement Form
Pay or Play Certification of Agreement to Comply w' the Program
Contractor's Questionnaire
Hire Houston First Application and Affidavit

Table 2 lists other documents and forms that should be viewed/downloaded from the City's website, but are not required to be submitted with the bid. The City will request these forms, as applicable, to be completed and submitted to the City by the recommended/successful bidder:

<b>TABLE 2 - DOCUMENTS &amp; FORMS</b>
Drug Forms.doc
EEOC.doc
Formal Instructions for Bid Terms.doc
M/WBE.doc
Sample Insurance Over \$50,000.pdf
Insurance Endorsements
Pay or Play Office of Business Opportunity & Contract Compliance Q & A
Pay or Play Office of Business Opportunity & Contract Compliance Requirements
Pay or Play Contractor/Subcontractor Payment Reporting Form
Pay or Play Contractor/Subcontractor Waiver Request
Pay or Play List of Participating Subcontractors
Criminal Justice Information Services (CJIS) Compliance Addendum (Applicable to Houston Police Department (HPD) Occupied Facilities)

Questions concerning the bid should be submitted in writing to: City of Houston, Strategic Purchasing Division, 901 Bagby, Room B-500, Houston, TX 77002, Attn: Elnora Williams or by e-mail (preferred method) to [Elnora.Williams@houstontx.gov](mailto:Elnora.Williams@houstontx.gov), no later than 2:00 p.m., **Monday, May 2, 2016.**

## **CONTRACTOR'S QUESTIONNAIRE**

In order to receive bid award consideration, the bidder must be able to demonstrate that they are currently providing or have had at least one contract, as a prime contractor, for Mail Processing Services that is similar in size and scope to this contract. **Bidder must have references documenting that it has performed "Mail Processing Services"**. The reference(s) should be included in the space provided below. Please attach another piece of paper if necessary. If references are not included with the bid, the bidder shall be required to provide such references to the City of Houston within five working days from receipt of a written request from the City of Houston to do so. **Bidder's capability and experience shall be a factor in determining the contract award.**

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City & State: \_\_\_\_\_  
Name & Phone Number of Contact: \_\_\_\_\_ Years Services: \_\_\_\_
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City & State: \_\_\_\_\_  
Name & Phone Number of Contact: \_\_\_\_\_ Years Services: \_\_\_\_
3. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City&State: \_\_\_\_\_  
Name & Phone Number of Contact: \_\_\_\_\_ Years Services: \_\_\_\_\_

## **SITE INSPECTION**

The City of Houston reserves the right to inspect the Bidder's current place of business to evaluate equipment condition and capabilities, staff experience, training and capabilities, and storage capabilities as they relate to the performance of this contract.

## **QUALITY AND WORKMANSHIP**

The Bidder must be able to demonstrate upon request that it has satisfactorily performed services similar to the services specified herein. The Bidder will provide records of warranty and repair services upon request by City. The City of Houston shall be the sole judge as to whether the services performed are similar to the scope of services contained herein and whether the Bidder is capable of performing such services.

## **PROTEST:**

A protest shall comply with and be resolved, according to the City of Houston Procurement Manual [http://purchasing.houstontx.gov/docs/Procurement\\_Manual.pdf](http://purchasing.houstontx.gov/docs/Procurement_Manual.pdf) and rules adopted thereunder. Protests shall be submitted in writing and filed with both, the City Attorney and the Solicitation contact person. A pre-award protest of the ITB shall be received five (5) days prior to the solicitation due date and a post-award protest shall be filed within five (5) days after City Council approval of the contract award.

A protest shall include the following:

- The name, address, e-mail, and telephone number of the protester;
- The signature of the protester or its representative who has the delegated authority to legally bind its company;
- Identification of the ITB description and the ITB or contract number;
- A detailed written statement of the legal and factual grounds of the protest, including copies of relevant documents, etc.; and
- The desired form of relief or outcome, which the protester is seeking

## **NO CONTACT PERIOD:**

Neither bidder(s) nor any person acting on bidder(s)'s behalf shall attempt to influence the outcome of the award by the offer, presentation or promise gratuities, favors, or anything of value to any appointed or elected official or employee of the City of Houston, their families or staff members. All inquiries regarding the solicitation are to be directed to the designated City Representative identified on the first page of the solicitation. Upon issuance of the solicitation through the pre-award phase and up to the award, aside from bidder's formal response to the solicitation, communications publicly made during the official prebid conference, written requests for clarification during the period officially designated for such purpose by the City Representative, neither bidder(s) nor persons acting on their behalf shall communicate with any appointed or elected official or employee of the City of Houston, their families or staff through written or oral means in an attempt to persuade or influence the outcome of the award or to obtain or deliver information intended to or which could reasonably result in an advantage to any bidder. However, nothing in this paragraph shall prevent a bidder from making public statements to the City Council convened for a regularly scheduled session after the official selection has been made and placed on the City Council agenda for action, or to a City Council committee convened to discuss a recommendation regarding the solicitation.

## **HIRE HOUSTON FIRST**

### **Designation as a City Business or Local Business**

To be designated as a City or Local Business for the purposes of the Hire Houston First Program, as set out in Article XI of Chapter 15 of the Houston City Code, a bidder or proposer must submit the **Hire Houston**

**First Application and Affidavit ("HHF Affidavit")** to the Director of the Mayor's Office of Business Opportunities and receive notice that the submission has been approved prior to award of a contract. Bidders are encouraged to secure a designation prior to submission of a bid or proposal if at all possible.

**Download the HHF Affidavit** from the Office of Business Opportunities Webpage at the City of Houston e-Government Website at the following location:

<http://www.houstontx.gov/hbsc/hirehoustonfirstaffidavit.pdf>

**Award of a Procurement of \$100,000 or More for Purchase of Goods:**

THE CITY WILL AWARD THIS PROCUREMENT TO A "CITY BUSINESS," AS THAT TERM IS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES ("THE CODE")

- IF THE BID OF THE CITY BUSINESS IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 3% OF THE LOWEST BID RECEIVED, AND
- UNLESS THE USER DEPARTMENT DETERMINES THAT SUCH AN AWARD WOULD UNDULY INTERFERE WITH CONTRACT NEEDS, AS PROVIDED IN SECTION 15-181 OF THE CODE.

IF THERE IS NO BID OF A CITY BUSINESS THAT MEETS THESE CRITERIA, THE CITY WILL AWARD THE PROCUREMENT TO THE LOWEST RESPONSIBLE BIDDER.

**Award of Procurement under \$100,000 for Purchase of Goods:**

THE CITY WILL AWARD THIS PROCUREMENT TO A "CITY BUSINESS," AS THAT TERM IS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES ("THE CODE")

- IF THE BID OF THE CITY BUSINESS IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 5% OF THE LOWEST BID RECEIVED, AND
- UNLESS THE USER DEPARTMENT DETERMINES THAT SUCH AN AWARD WOULD UNDULY INTERFERE WITH CONTRACT NEEDS, AS PROVIDED IN SECTION 15-181 OF THE CODE.

IF THERE IS NO BID OF A CITY BUSINESS THAT MEETS THESE CRITERIA, THE CITY WILL AWARD THE PROCUREMENT TO THE LOWEST RESPONSIBLE BIDDER

**Award of Procurement that may be More or Less than \$100,000 for Purchase of Goods:**

THE CITY WILL AWARD THIS PROCUREMENT TO A "CITY BUSINESS," AS THAT TERM IS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES ("THE CODE")

- IF THE BID OF THE CITY BUSINESS IS LESS THAN \$100,000 AND IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 5% OF THE LOWEST BID RECEIVED, OR
- IF THE BID OF THE CITY BUSINESS IS MORE THAN \$100,000 AND IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 3% OF THE LOWEST BID RECEIVED, AND
- UNLESS THE USER DEPARTMENT DETERMINES THAT SUCH AN AWARD WOULD UNDULY INTERFERE WITH CONTRACT NEEDS, AS PROVIDED IN SECTION 15-181 OF THE CODE.

IF THERE IS NO BID OF A CITY BUSINESS THAT MEETS THESE CRITERIA, THE CITY WILL AWARD THE PROCUREMENT TO THE LOWEST RESPONSIBLE BIDDER.

**Award of Procurement of \$100,000 or More for Purchase of Non-Professional Services , Including Construction Services:**

THE CITY WILL AWARD THIS PROCUREMENT TO A "CITY BUSINESS," AS THAT TERM IS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES ("THE CODE")

- IF THE BID OF THE LOCAL BUSINESS IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 3% OF THE LOWEST BID RECEIVED, AND

- UNLESS THE USER DEPARTMENT DETERMINES THAT SUCH AN AWARD WOULD UNDULY INTERFERE WITH CONTRACT NEEDS, AS PROVIDED IN SECTION 15-181 OF THE CODE.

IF THERE IS NO BID OF A LOCAL BUSINESS THAT MEETS THESE CRITERIA, THE CITY WILL AWARD THE PROCUREMENT TO THE LOWEST RESPONSIBLE BIDDER

**Award of Procurement under \$100,000 Purchase of Non-Professional Services Including Construction Services:**

THE CITY WILL AWARD THIS PROCUREMENT TO A "LOCAL BUSINESS," AS THAT TERM IS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES

- IF THE BID OF THE CITY BUSINESS IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 5% OF THE LOWEST BID RECEIVED, AND
- UNLESS THE USER DEPARTMENT DETERMINES THAT SUCH AN AWARD WOULD UNDULY INTERFERE WITH CONTRACT NEEDS, AS PROVIDED N SECTION 15-181 OF THE CODE.

IF THERE IS NO BID OF A LOCAL BUSINESS THAT MEETS THESE CRITERIA, THE CITY WILL AWARD THE PROCUREMENT TO THE LOWEST RESPONSIBLE BIDDER

**Award of Procurement that may be More or Less than \$100,000 for Purchase of Non-Professional Services, Including Construction Services:**

THE CITY WILL AWARD THIS PROCUREMENT TO A "LOCAL BUSINESS," AS THAT TERM IS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES ("THE CODE")

- IF THE BID OF THE LOCAL BUSINESS IS LESS THAN \$100,000 AND IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 5% OF THE LOWEST BID RECEIVED, OR
- IF THE BID OF THE LOCAL BUSINESS IS MORE THAN \$100,000 AND IS THE LOWEST RESPONSIBLE BID OR IS WITHIN 3% OF THE LOWEST BID RECEIVED, AND
- UNLESS THE USER DEPARTMENT DETERMINES THAT SUCH AN AWARD WOULD UNDULY INTERFERE WITH CONTRACT NEEDS, AS PROVIDED IN SECTION 15-181 OF THE CODE.

IF THERE IS NO BID OF A LOCAL BUSINESS THAT MEETS THESE CRITERIA, THE CITY WILL AWARD THE PROCUREMENT TO THE LOWEST RESPONSIBLE BIDDER

## **SECTION B**

### **SCOPE OF WORK/SPECIFICATIONS**

Mail Processing Service for Utility Water Bills for the Department of Public Works and Engineering

#### **SCOPE OF SERVICES:**

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, equipment, transportation, and supervision necessary to perform the services.

#### **1.0 BACKGROUND:**

- 1.1. This Agreement is for Mail Processing Services for the City of Houston Utility Customer Service (UCS) Division of the Department of Public Works and Engineering (PWE). Utility Customer Service has approximately 525,000 to 560,000 utility bills and reports per month to be printed and distributed. It is the intent of the department to utilize more color, graphics, messages, and creativity in the presentation and layout of utility bills, inserts, and envelopes utilizing the expanded capabilities and experience of the selected contractor. UCS will provide samples of current bills, envelopes, and various inserts only for the purposes of demonstrating current equipment capabilities and/or limitations. Mail services are a vital component of UCS ability to notify its customers of their water bill(s).

#### **2.0 PERFORMANCE WORK STATEMENT:**

- 2.1. The Contractor shall be required to furnish all supervision, labor, transportation, equipment, materials, tools, insurance, and all incidentals to perform all work necessary and specified in the delivery of mail services for the Utility Customer Service.
- 2.2. Contractor shall process bulk mail for the City's Utility Customer Service (UCS) Division of the Department of Public Works and Engineering.
- 2.3. Contractor shall process time-sensitive mail involving customer water bills, notices, other related water documents and etc. for UCS.
- 2.4. UCS shall provide the Contractor with a hard copy of the form notices/letters that will be mailed and the Contractor shall customize the form notices/letters utilizing the information as provided and mail to all applicable addresses as provided by City.
- 2.5. Contractor shall retain on file all templates for "Notices" mailed by UCS and any other form documents provided by the Director and/or designee. Additionally, the Contractor shall obtain final approval and/or authorized signature from the Department of Public Works and Engineering Director or designee prior to processing mail utilizing a template or form document.
- 2.6. Contractor shall print the form letters provided by Director, and/or designee, fold and stuff in envelopes with the correct addresses and mail them via US Postal Bulk Mail.
- 2.7. Contractor shall pre-sort mail based on geographically defined billing cycles and zip codes.
- 2.8. Contractor shall warrant that they have the capacity to process between 525,000 to 560,000 utility bills and reports per month from UCS. Approximately 25,000 are processed daily.
- 2.9. Water bill statement files automatically received by 4 AM by File Transfer Protocol (FTP) shall be printed and mailed the same business day.
- 2.10. Contractor shall provide window envelopes for mailing documents for UCS.
- 2.11. Upon receipt of Notice to Proceed from the City Purchasing Agent and/or designee,



Contractor shall designate a local Project Manager to work with the Director and/or designee on all mail processing projects assigned by UCS.

- 2.12. Contractor's Project Manager (PM) shall be a trained and an experienced professional with over five years of experience with Utility Bill Mail processing, become knowledgeable about the City's mailing requirements and shall be responsible for ensuring the confidentiality of City data and Mail-Out schedules by limiting access of such information to Contractor's employees and agents on a need to know basis.
- 2.13. Contractor's PM shall be trained and experienced in IBM MVS operating system (latest version) for full technical support.
- 2.14. Contractor's PM is responsible for assembling samples of mail out packages, including inserts, laser printed materials and envelopes.
- 2.15. The PM shall furnish a report and a sample package for each Mail-Out to Contractor's mail staff and ensure that all totals are accurate for a particular Mail-Out.
- 2.16. Contractor's PM shall produce a report that contains a total count for each Mail-Out.
- 2.17. PM shall implement the following quality control measures:
  - 2.17.1. Periodic pulls from each Mail-Out being processed at the rate of one pull every 15 minutes of the entire Mail-Out process.
  - 2.17.2. A record of all pieces pulled as part of quality control.
  - 2.17.3. An inspection of all mail pulled to ensure a package is complete.
  - 2.17.4. Clearance of all mail inspected.
  - 2.17.5. A check before and after each Mail-Out.
  - 2.17.6. A check of the laser print, to ensure quality.
  - 2.17.7. A check of all addresses to ensure completeness.
  - 2.17.8. A check of the metered date on the envelopes.
  - 2.17.9. A check of envelope contents to ensure all required pages are included.
- 2.18. UCS will provide the PM with a designated contact person.
  - 2.18.1. The PM shall implement performance measures and quality control checkpoints for the City's Mail Processing work and shall include:
    - 2.18.1.1. Reconciling numbers of mailed pieces.
    - 2.18.1.2. Production quality of the laser printed forms.
    - 2.18.1.3. A review of samples of the final mail pieces and etc.
- 2.19. Contractor shall ensure that the laser printed forms meet the quality control measures by obtaining the Director and/or designee's approval of proofs, positioning of the printed material, verification of paper stock, and quality, density and fusing of the laser printed image.
- 2.20. Contractor's PM shall provide the Director and/or designee with:
  - 2.20.1. A total count of items ready for mailing.
  - 2.20.2. Actual number of items mailed.
  - 2.20.3. Total cost of postage for each Mail-Out.
- 2.21. Contractor shall use its employees or a bonded delivery service to deliver the final mailing pieces to one of the following United States Post Offices:
  - 2.21.1. Downtown Houston or
  - 2.21.2. North Houston Bulk Mailing Center
- 2.22. Contractor shall ensure accuracy of delivered mail by using the Coding Accuracy Support

System (CASS) latest version and Certified Address Matching Software (CAMS) latest version to verify addresses and zip codes.

- 2.23. Contractor shall use the Coding Accuracy Support System (CASS-latest version) to replace undeliverable addresses from the City provided addresses database and run a National Change of Address (NCOA) check to obtain a correct address for such addresses.
- 2.24. Contractor's PM and Department Director and/or designee shall develop a procedure for addressing issues related to items not found during an NCOA check.
- 2.25. Contractor shall use the Coding Accuracy Support System (CASS-latest version) Certified Address Matching Software (CAMS-latest version) to ensure that City Mail-Outs are eligible for presorting by the United States Postal Service.
- 2.26. Contractor shall use the return codes to identify addresses of undeliverable mail and/or items that cannot be located in the CASS database.
- 2.27. Contractor's PM shall ensure that zip codes are clearly displayed on each item contained in a City Mail- Out.
- 2.28. Contractor's PM shall ensure that all items not displaying a zip code are removed from the Mail-Out prior to final processing.
- 2.29. The City of Houston has the option to deal with mail for addresses with inadequate zip codes and/or addresses codes in the following manner:
  - 2.29.1. Print and mail.
  - 2.29.2. Print and return.
  - 2.29.3. Purge file of such addresses and provide the purged file to City.
- 2.30. Contractor shall use the USPS account and provide monthly usage reports to Utility Customer Service on a monthly basis.
- 2.31. Contractor shall reconcile certified mail sent with the acknowledgement cards received.

### **3.0 DISASTER RECOVERY:**

- 3.1 Contractor shall designate two alternative full mail processing sites for receiving, processing, printing and mailing City of Houston mail;
  - 3.1.1 One site in the Houston metro area.
  - 3.1.2 One site outside the city limits of Houston.
- 3.2 Sixty days from the Notice to Proceed Date of the contract, Contractor shall conduct a test from each alternative site and demonstrate to Director or designee their ability to process City of Houston mail from each location.
- 3.3 Contractor shall maintain two weeks of supplies at each alternative location.

### **4.0 PROBLEM RESOLUTION:**

- 4.1 Contractor's PM shall notify the Director and/or designee within twenty-four (24) hours of discovering a problem that could prohibit the Contractor from performing under the terms of this contract.

- 4.2 Contractor's PM shall contact the Director and/or designee and seek instructions regarding a potential delayed Mail-Out.
- 4.3 Contractor's PM shall schedule a meeting with the Director and/or designee to solve any issue that could affect a Mail-Out and/or the Contractor's performance.
- 4.4 The Director and/or designee will inform the Contractor's PM within twenty-four (24) hours of discovery about any problems that may affect a Mail-Out.

## **5.0 ADDRESSES AND CITY OWNED INFORMATION:**

- 5.1 Contractor shall not sell or give for free any addresses and address files provided by the City of Houston under this contract.
- 5.2 Contractor shall be responsible for maintaining the security and/or confidentiality of all transmitted data files, which includes customer names, service addresses and account numbers.

## **6.0 BULK MAIL:**

- 6.1 Contractor shall provide savings on postage through bulk mailings.
- 6.2 Contractor shall ensure that City of Houston mail is processed at the lowest postage rate allowed by the United States Postal Service (USPS) rules by:
  - 6.2.1 Processing documents of the same size.
  - 6.2.2 Processing documents with addresses in the same format from an approved City of Houston template in the following quantities:
    - 6.2.2.1 A minimum of 150 letters addressed to the same 5 digit zip code.
    - 6.2.2.2 A minimum of 150 letters addressed to the same 3 digit zip code.
    - 6.2.2.3 A mix of 150 letters addressed to two different 3 digit zip codes handled by the Area Distribution Centers (ADCs) located at the Downtown Houston Post Office (ADCs numbered 770 and 772).
    - 6.2.2.4 A mix of a minimum of 150 letters addressed to multiple 3 digit zip codes outside the Downtown Houston ADC (Mixed ADC) and letters not qualifying for the discounted rates shall be metered at the Mixed ADC rate and shall be assessed an additional \$0.01 processing fee.
- 6.3 Contractor shall process and mail all City electronic files on the next business day after receipt. In the event the Director and/or designee sends the electronic file on the eve of a United States Postal Service (USPS) holiday, Contractor shall ensure that mail is processed the next business day.

## **7.0 PERFORMANCE REQUIREMENT:**

- 7.1 Contractor's performance shall be measured by meeting the requirements of this Agreement as detailed in this Scope of Work.
- 7.2 Mail-Outs shall meet the following printing standard:
  - 7.2.1 600 DPI print resolution, clear of toner streaking and without any shading in the background.
  - 7.2.2 Paper shall be 24# white paper 8-1/2 x11 with perforation and of 88 brightness
  - 7.2.3 Paper shall be 20# color 8-1/2 x 11 with perforation
  - 7.2.4 Window envelope, white #10
  - 7.2.5 Window envelope, white #9

## **8.0 PRINTING OF UTILITY BILLS:**

- 8.1 The contractor shall be able to print bills, consistently meeting or exceeding 98% of the printer manufacturer's stated printing standards. Toner or ink shall not contain any MICR inks. Smears shall be limited. The outgoing mailing envelope shall contain the proper barcode per Post Office standards. The bill/insert shall be able to be printed in two (2) colors, front and back. The colors shall be able to be imaged by a Unisys 300 Quantum, Model NOP 300. There is a need for the printer to highlight different sections of the bill, print graphs in color, do graphic interface, print messages, print front and back, and print in multiple languages. Printing shall not interfere within 1" of the OCR scan line and the scan line shall be in black ink, on the front of the bill. No data will be printed on the back of the return portion of the document. Any changes to bill format, content or bill messages can be made: changes to bill format within seven (7) days of receipt; changes to content and messages within twenty-four (24) hours of receipt. All changes shall be approved and signed off by the City of Houston before being made.

## **9.0 COLOR PRINTING:**

- 9.1 Definition: Color printing is the reproduction of an image or text in color (as opposed to simpler black and white or monochrome printing).
- 9.1.1 The four ink colors are cyan, magenta, yellow, and key (black); abbreviated as CMYK used in color printing.
- 9.2 The contractor shall be able to process digital files, text, or printed images in color as opposed to printing in black and white.
- 9.3 The contractor shall be able to print on front, back, and/or both side (double-sided) of the paper.

## **10.0 RETURN DOCUMENTS:**

- 10.1 On the return portion of the bill, the following standards shall meet the requirements of the OPEX MPE 7.5 Mail Extractor, OPEX Model 51 Mail Extractor and Unisys 300 Quantum Model NOP 300. Failure to do so shall result in a charge to be paid by the contractor for any adjustments to the current equipment. The section of the bill returned may not exceed 8-1/2" x 3-1/2". The account number and amount owed on the bottom shall be printed 15/16" of an inch from the bottom edge. The weight of the paper shall be 24# for white and 20# for color. The return document should be sized for a comfortable fit within the return envelope. Recommended clearance is 1/8" all around. The section to return, at the bottom, is perforated for customer convenience. The return portion shall be printed so that the City's address will appear in the return window envelope.

## **11.0 DOCUMENT RETENTION:**

- 11.1 Contractor shall provide a comprehensive solution for document management, which provides for electronic capture, storage, collaboration, retrieval, and delivery of an organization's critical data and documents. Any information capture whether it is on paper or in electronic format. The electronically view and present any information or data contained to be presented internally or externally to end-users.
- 11.2 The Contractor to provide an ePresentment portal which is made available to UCS personnel to search for and retrieve documents that stored in the archive repository. Documents can be downloaded, emailed, and faxed individually or in groups as required. Document upload is also supported as either individual or groups.
- 11.3 Bills, customer adjustment information, Drainage Letters, Verification Form, Decision Notification that is created shall be loaded to the ePresentment portal and retained for a period of time in accordance with the ARA retention guidelines.

- 11.4 Documents shall be purged at the end of their respective retention period in accordance with ARA retention guidelines. No prior notification or authorization from the City of Houston shall be required.
- 11.5 Documents types shall not be classified.
- 11.6 Documents shall be indexed by Account Number, Parcel ID, and Service Request ID (as applicable). The City of Houston users will update documents with a decision code, which will result in a decision letter being created and distributed to the citizen. There may be other mutually agreed upon fields to aid the system performance.
- 11.7 The following groups shall have access to archives containing Notification Letters, Verification Forms and supporting documents:
  - 11.7.1 The City of Houston authorized users (such as plan analysts).
  - 11.7.2 Documents can be accessed systematically using the DirectConnect URL provided by the contractor.

## **12.0 IMAGING AND DATA CAPTURE:**

- 12.1 Documents are expected to be received by mail and fax. Documents that are received via fax shall be formatted as 200 DPI multipage TIFF Group 4 compressed images. Documents that are received via mail be scanned as 200 DPI multipage TIFF Group 4 compressed images.
- 12.2 Document types shall be identified. Each fax received shall be considered one document. All pages received in an envelope shall be considered one document.
- 12.3 Contractor shall assume that one (1) document will contain 6 images on average.
- 12.4 Contractor shall arrange each document received so the Verification Form will be the first (1<sup>st</sup>) image when scanned.
- 12.5 If a document is received that does not have a Verification Form, Contractor shall send a dummy value for Account Number. These values will need to be updated by the City of Houston in the ePresentment portal.
- 12.6 Contractor shall assume that each document will contain the twelve (12) digits Account Number to capture.
- 12.7 Contractor shall programmatically capture the Account Number from the barcode printed on the Verification Form. If the barcode cannot be read, Contractor shall key the account number manually from the image.
- 12.8 Documents received via mail shall be separated by the patch code printed on the Verification Form.
- 12.9 Additional field values from the data file received from the City of Houston shall be retrieved based on the Account Number and stored in the ePresentment portal.
- 12.10 Data shall be transferred in the following manner:
  - 12.10.1 Contractor shall submit images and data to the ePresentment portal.
  - 12.10.2 Contractor shall submit data and a DirectConnect link to the City of Houston.
  - 12.10.3 Contractor shall poll the ePresentment portal daily for documents one (1) with updated Account Numbers or two (2) that previously failed shipment to the City of Houston and submit to the City of Houston.

### **13.0 ADDITIONS & DELETIONS:**

- 13.1 The City, by written notice from the City Chief Procurement Officer to the Contractor, at any time during the term of this contract, may add or delete like or similar equipment, supplies, locations and/or services to the list of equipment, supplies, locations, and/or services to be provided. Any such written notice shall take effect on the date stated in the notice from the City. Similar equipment, supplies, services, or locations added to the contract shall be in accordance with the contract specification/scope of services, and the charges or rates for items added shall be the same as specified in the fee schedule. In the event that the additional equipment, supplies, locations and/or services are not identical to the item(s) already under contract, the charges therefore will then be the Contractor's normal and customary charges or rates for the equipment, supplies, locations and/or services classified in the fee schedule.

### **14.0 ESTIMATED QUANTITIES NOT GUARANTEED:**

- 14.1 The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of services during the term of this Contract. The quantities may vary depending upon the actual needs of the Department. The quantities specified herein are good faith estimates of usage during the term of this Contract. Therefore, the City shall not be liable for any contractual agreements/obligations the Contractor enters into based on the City purchasing all the quantities specified herein.

### **15.0 INTERLOCAL AGREEMENT:**

- 15.1 Under the same terms and conditions hereunder, the Contract may be expanded to other government entities through inter-local agreements between the City of Houston and the respective government entity that encompass all or part of the products/services provided under this contract. Separate contracts will be drawn to reflect the needs of each participating entity.

### **16.0 WARRANTY OF SERVICES:**

- 16.1 *Definitions:* "Acceptance" as used in this clause, means the act of an authorized representative of the City by which the City assumes for itself, approval of specific services, as partial or complete performance of the Contract.
- 16.2 "Correction" as used in this clause, means the elimination of a defect.
- 16.3 Notwithstanding inspection and acceptance by the City or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this Contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this Contract. The City shall give written notice of any defect or nonconformance to the Contractor within a one-year period from the date of acceptance by the City. This notice shall state either (1) that the Contractor shall correct or re-perform any defective or non-conforming services at no additional cost to the City, or (2) that the City does not require correction or re-performance.
- 16.4 If the Contractor is required to correct or re-perform, it shall be at no cost to the City, and any services corrected or re-performed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or re-perform, the City may, by contract or otherwise correct or replace with similar services and charge to the Contractor the cost occasioned to the City thereby, or make an equitable adjustment in the Contract price.
- 16.5 If the City does not require correction or re-performance, the City shall make an equitable

adjustment in the contract price.

## **17.0 INVOICING:**

- 17.1 The City will accept one invoice per month for payment of services provided. The invoice shall be for the month completed and verified by the City representative. At the conclusion of the year the contractor shall provide an annual summary of all costs. All invoices should preferably be sent to the following electronic mail box address:

[Finaccountspayable@houstontx.gov](mailto:Finaccountspayable@houstontx.gov)

OR

Invoices can be mailed to the P.O. Box listed below:

City of Houston  
Department of Public Works and Engineering  
Fin. Business Office, Accounts Payable  
P. O. Box 3685  
Houston, TX, 77251-3685

- 17.2 Contractor shall pay a 5% service penalty fee per day on mail pieces that are not mailed within the agreed completion and delivery time. The 5% fee is based on the 1-page price and postage is not included.
- 17.3 Contractor's PM shall schedule a meeting with the Director/designee to solve any issue that could affect a Mail-Out and/or the Contractor's performance.
- 17.4 The Director or designee shall inform the Contractor's PM within 24 hours of discovery about any problems that may affect a Mail-Out.

## **18.0 CONTRACT COMPLIANCE:**

- 18.1 The Department of Public Works and Engineering reserves the right to monitor this contract for compliance to ensure legal obligations are fulfilled and that acceptable level of service is provided.
- 18.2 Monitoring may take the form of, but not necessarily limited to:
- 18.2.1 Site visits. When deemed necessary, an inspection may be made by the Department of Public Works and Engineering (PWE) to determine whether a bidder actually has a facility at the location(s) listed in the bid document.
  - 18.2.2 Testing and sampling of goods and services.
  - 18.2.3 Review of deliveries received for accuracy and timeliness.
  - 18.2.4 Review of permits, certifications and/or licenses.
  - 18.2.5 Review of contractor's invoices for accuracy.
- 18.3 The responsibility for monitoring compliance rests with the Contract Compliance Section, Management Support Branch of the Office of the Director, Department of Public Works and Engineering

## **19.0 POST AWARD MEETING:**

- 19.1 Once the award has been approved by City Council, the Department of Public Works & Engineering (PWE) shall schedule a post award meeting with the successful Supplier and the PWE end users. This meeting will cover procurement requirements, Supplier invoicing, Supplier payment, and other matters related to administering the award.

**20.0 CRIMINAL JUSTICE INFORMATION SYSTEMS (CJIS) COMPLIANCE (Applicable to Houston Police Department (HPD) Occupied Facilities:**

- 20.1 The Houston Police Department recognizes that by allowing physical or logical (electronic) access to HPD facilities or network resources, people may gain access to information or systems they are statutorily prohibited from accessing. To comply with state and federal regulations, the Houston Police Department is required to document and investigate access requests to be sure access is necessary and permitted. Bidders/Respondents, therefore, agree to review the Criminal Justice Information Systems (CJIS) process and related documents located at <http://www.houstontx.gov/police/cjis/hpdvendorcertification.htm> and shall comply with the terms and requirements therein.



**SECTION C  
GENERAL TERMS & CONDITIONS**

**THE STATE OF TEXAS**

**BID # S74-L25787**

**ORDINANCE # \_\_\_\_\_**

**COUNTY OF HARRIS**

**CONTRACT # \_\_\_\_\_**

**I. PARTIES**

**1.0 ADDRESS**

THIS AGREEMENT for **MAIL PROCESSING SERVICES** ("Agreement") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** ("City"), a Texas home-rule city and \_\_\_\_\_ ("Contractor or Vendor"), a corporation doing business in \_\_\_\_\_.

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

**City**

City Chief Procurement Officer for Director  
of the Fleet Management Department  
City of Houston  
P.O. Box 1562  
Houston, Texas 77251

**Contractor**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

The Parties agree as follows:

**2.0 TABLE OF CONTENTS**

2.1 This Agreement consists of the following sections:

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#### EXHIBITS

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- \* E. DRUG POLICY COMPLIANCE AGREEMENT
- \* F. CERTIFICATION OF NO SAFETY IMPACT POSITIONS
- \* G. DRUG POLICY COMPLIANCE DECLARATION
- \* H. FEES AND COSTS
- \* I. CITY'S CONTRACTORS PAY OR PLAY PROGRAM

\* Note: These Exhibits shall be inserted into the contract Agreement at the time of contract execution.

### **3.0 PARTS INCORPORATED**

3.1 The above described sections and exhibits are incorporated into this Agreement.

### **4.0 CONTROLLING PARTS**

4.1 If a conflict among the sections or exhibits arises, the Exhibits control over the Sections.

### **5.0 DEFINITIONS**

5.1 Certain terms used in this Agreement are defined in Exhibit "A."

**6.0 SIGNATURES**

6.1 The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL: (if a corporation)

WITNESS: (if not corporation)

\_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

Federal Tax ID Number: \_\_\_\_\_

ATTEST/SEAL:

CITY OF HOUSTON, TEXAS

Signed by:

\_\_\_\_\_  
City Secretary

\_\_\_\_\_  
Mayor

APPROVED:

COUNTERSIGNED BY:

\_\_\_\_\_  
City Chief Procurement Officer

\_\_\_\_\_  
City Controller

DATE COUNTERSIGNED:

\_\_\_\_\_

This contract has been reviewed as to form by the undersigned legal assistant and has been found to meet established Legal Department criteria. The Legal Department has not reviewed the content of these documents.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Legal Assistant

## **II. DUTIES OF CONTRACTOR**

### **1.0 SCOPE OF SERVICES**

- 1.1 In consideration of the payments specified in this Agreement, Contractor shall provide all supervision, labor, tools, equipment, permits, parts, expendable items, material, and supplies necessary to perform the services described in Exhibit "B".

### **2.0 RELEASE**

- 2.1 PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE CITY) FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

### **3.0 INDEMNIFICATION**

- 3.1 PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY "THE CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:
- 3.1.1 PRIME CONTRACTOR/SUPPLIER AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 2.1-3.2, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
  - 3.1.2 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND
  - 3.1.3 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.
  - 3.1.4 PRIME CONTRACTOR/SUPPLIER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS CONTRACT AND FOR FOUR YEARS AFTER THE CONTRACT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$500,000.00 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.
- 3.2 CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

### **4.0 INDEMNIFICATION PROCEDURES**

- 4.1 Notice of Claims. If the City or Prime Contractor/Supplier receives notice of any claim or circumstances, which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:
- 4.1.1 a description of the indemnification event in reasonable detail, and
  - 4.1.2 the basis on which indemnification may be due, and
  - 4.1.3 the anticipated amount of the indemnified loss.
- 4.2 This notice does not stop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10-day period, it does not waive any right to indemnification except to the extent that Prime Contractor/Supplier is prejudiced, suffers loss, or incurs expense because of the delay.
- 4.3 Defense of Claims
- 4.3.1 Assumption of Defense. Prime Contractor/Supplier may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Prime Contractor/Supplier shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Prime Contractor/Supplier must advise the City as to whether or not it will defend the claim. If Prime Contractor/Supplier does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.
  - 4.3.2 Continued Participation. If Prime Contractor/Supplier elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Prime Contractor/Supplier may settle the claim without the consent or Agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Prime Contractor/Supplier does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

## 5.0 INSURANCE

- 5.1 Contractor shall maintain in effect certain insurance coverage and shall furnish certificates of insurance, in duplicate form, before beginning its performance under this Agreement. All policies except Professional Liability and Workers' Compensation must name the City as an additional insured. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide. Contractor shall maintain the following insurance coverage in the following amounts:
- 5.1.1 Commercial General Liability insurance including Contractual Liability insurance:  
\$500,000 per occurrence; \$1,000,000 aggregate
  - 5.1.2 Workers' Compensation including Broad Form All States endorsement:  
Statutory amount
  - 5.1.3 Automobile Liability insurance  
\$1,000,000 combined single limit per occurrence  
Defense costs are excluded from the face amount of the policy  
Aggregate Limits are per 12-month policy period unless otherwise indicated
  - 5.1.4 Employer's Liability  
Bodily injury by accident \$100,000 (each accident)

Bodily injury by disease	\$100,000 (policy limit)
Bodily injury by disease	\$100,000 (each employee)

5.2 All insurance policies must require by endorsement, that the insurance carrier waives any rights of subrogation against the City, Contractor shall give 30 days written notice to the Director if any of its insurance policies are cancelled, materially changed or non-renewed. Within the 30 day period, Contractor shall provide other suitable policies in lieu of those about to be canceled, materially changed, or non-renewed so as to maintain in effect the required coverage. If Contractor does not comply with this requirement, the Director, at his or sole discretion, may:

5.2.1 immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or

5.2.2 purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

5.2.3 All certificates of insurance submitted by Contractor shall be accompanied by endorsements for additional insured coverage in favor of the City for Commercial General Liability and Automobile Liability policies; and waivers of subrogation in favor of the City for Commercial General Liability, Automobile Liability, and Worker's Compensation/Employers' Liability policies. For a list of pre-approved endorsement forms see <http://purchasing.houstontx.gov/forms.shtml>. The Director will consider all other forms on a case-by-case basis.

## **6.0 WARRANTIES**

6.1 Contractor represents and warrants that it shall perform all work in a good and workmanlike manner, meeting the standards of quality prevailing in Harris County, Texas for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

6.2 With respect to any parts and goods furnished by it, Contractor warrants:

6.2.1 that all items are free of defects in title, material, and workmanship,

6.2.2 that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,

6.2.3 that each replacement item is new in accordance with original equipment manufacturers specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new), and

6.2.4 that no item or its use infringes any patent, copyright, or proprietary right.

## **7.0 LICENSES AND PERMITS**

7.1 Contractor shall obtain and pay for all licenses, permits, and certificates required by any statute, ordinance, rule, or regulation.

## **8.0 COMPLIANCE WITH EQUAL OPPORTUNITY ORDINANCE**

8.1 Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "C."

## **9.0 M/WBE COMPLIANCE**

9.1 Contractor shall comply with the City's Minority and Women Business Enterprise ("M/WBE")

programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or supply Agreements in at least **11%** of the value of this Agreement to M/WBEs. Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the Mayor's Office of Business Opportunity (MOBO) and will comply with them.

9.2 M/WBE subcontracts must contain the terms set out in Exhibit "D."

## **10.0 DRUG ABUSE DETECTION AND DETERRENCE**

- 10.1 It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by Contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.
- 10.2 Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"):
- 10.2.1 a copy of its drug-free workplace policy,
- 10.2.2 the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "E," together with a written designation of all safety impact positions, and
- 10.2.3 if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "F."
- 10.3 If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "G." Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance, and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed, or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.
- 10.4 Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee workforce.
- 10.5 Contractor shall require that its subcontractors comply with the Executive Order, and Contractor shall secure and maintain the required documents for City inspection.

## **11.0 ENVIRONMENTAL LAWS**

- 11.1 Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency ("EPA"), the Texas Commission on Environmental Quality ("TCEQ"), and any other governmental agency with the authority to promulgate environmental rules and regulations ("Environmental Laws"). Contractor shall promptly reimburse the City for any fines or penalties levied against the City because of Contractor's failure to comply.
- 11.2 Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to, or from the site except in strict compliance with the Environmental Regulations. "Hazardous Materials" means any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable federal, state, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease, lubricants or any ignitable or hazardous liquids, materials, or substances in the City's storm sewer system or sanitary



## **12.0 CITY'S CONTRACTOR PAY OR PLAY PROGRAM**

- 12.1 The requirement and terms of the City of Houston Pay or Play Policy, as set out in Executive Order 1-7, are incorporated into this Agreement for all purposes. Contractor has reviewed Executive Order 1-7 and shall comply with its terms and conditions as they are set out at the time of City Council approval of this Agreement.
- 12.2 The Pay or Play Program for various departments will be administered by the City of Houston Office of Business Opportunity designee and for a Department specific contract; the Department's designated contract administrator will administer the Pay or Play Program.

## **13.0 CONTRACTOR'S PERFORMANCE**

- 13.1 Contractor shall make citizen satisfaction a priority in providing services under this Agreement. Contractor shall train its employees to be customer service-oriented and to positively and politely interact with citizens when performing contract services. Contractor's employees shall be clean, courteous, efficient, and neat in appearance and committed to offering the highest quality of service to the public. If, in the Director's opinion, Contractor is not interacting in a positive and polite manner with citizens, he or she shall direct Contractor to take all remedial steps to conform to these standards.

## **14.0 PAYMENT OF EMPLOYEES AND SUBCONTRACTORS**

- 14.1 Contractor shall make timely payments in accordance with applicable state and federal law to all persons and entities supplying labor, materials or equipment for the performance of this Agreement including Contractor's employees.
- 14.2 Failure of Contractor to pay its employees as required by law shall constitute a default under this contract for which the Contractor and its surety shall be liable on Contractor's performance bond if Contractor fails to cure the default as provided under this Agreement.
- 14.3 Contractor shall defend and indemnify the City from any claims or liability arising out of Contractor's failure to pay its subcontractors as required by law. Contractor shall submit disputes relating to payment of M/WBE subcontractors to arbitration in the same manner as any other disputes under the M/WBE subcontract.

### **III. DUTIES OF CITY**

## **1.0 PAYMENT TERMS**

- 1.1 The City shall pay and Contractor shall accept fees provided in Exhibit "H" for all services rendered and the Deliverables furnished by Contractor. The fees must only be paid from Allocated Funds, as provided below.
- 1.2 The City of Houston's standard payment term is to pay 30 days after receipt of invoice or receipt of goods or services, whichever is later, according to the requirements of the Texas Prompt Payment Act (Tx. Gov't Code, Ch. 2251). However, the City will pay in less than 30 days in return for an early payment discount from vendor as follows:

Payment Time	Discount	Payment Time	Discount
10 days	2%	20 days	1%

- 1.3 A vendor may elect not to offer a discount for early payment and the City will make payment net 30 days. Discounts will not be considered in the award evaluation.

- 1.4 If the City fails to make a payment according to the early payment schedule above, but does make the pay no other penalty. When the payment date falls on a Saturday, Sunday, or official holiday when City offices are closed and City business is not expected to be conducted, payment may be made on the following business day.

## **2.0 TAXES**

- 2.1 The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

## **3.0 METHOD OF PAYMENT**

- 3.1 The City shall pay Contractor on the basis of invoices submitted by Contractor and approved by the Director, showing the specific tasks completed in the preceding month and the corresponding prices. The City shall make payments to Contractor at its address for notices within 30 days upon receipt of an approved invoice.

## **4.0 METHOD OF PAYMENT - DISPUTED PAYMENTS**

- 4.1 If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

## **5.0 LIMIT OF APPROPRIATION:**

- 5.1 The City's duty to pay money to Contractor under this Agreement is limited in its entirety by the provisions of this Section.
- 5.2 In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of \$[REDACTED] to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies:
- 5.3 The City makes a Supplemental Allocation by issuing to Contractor a Service Release Order, or similar form approved by the City Controller, containing the language set out below. When necessary, the Supplemental Allocation shall be approved by motion or ordinance of City Council.

### **"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"**

"By the signature below, the City Controller certifies that, upon the request of the responsible Director, the supplemental sum set out below has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation."

- 5.4 The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is

suspension or termination of its performance under this Agreement and it has no other remedy in law or in equity against the City and no right to damages of any kind.

## **6.0 CHANGES**

- 6.1 At any time during the Agreement Term, the City Chief Procurement Officer or Director may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work.
- 6.2 The City Chief Procurement Officer or Director will issue the Change Order in substantially the following form:

### **CHANGE ORDER**

TO: [Name of Contractor]  
FROM: City of Houston, Texas (the "City")  
DATE: [Date of Notice]  
SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

[Here describe the additions to or changes to the equipment or services and the Change Order Charges applicable to each.]

Signed:

[Signature of City Chief Procurement Officer or Director]

- 6.3 The City Chief Procurement Officer or Director may issue more than one Change Order, subject to the following limitations:
- 6.3.1 Council expressly authorizes the City Chief Procurement Officer or Director to approve a Change Order of up to \$50,000. A Change Order of more than \$50,000 over the approved contract amount must be approved by the City Council.
- 6.3.2 If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.
- 6.3.3 The total of all Change Orders issued under this section may not increase the Original Agreement amount by more than 25%.
- 6.4 Whenever Contractor receives a Change Order, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this Agreement, Contractor may request a time extension for the completion of the work. The City Chief Procurement Officer's or Director's decision regarding a time extension is final.
- 6.5 A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject

to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.

- 6.6 Change Orders are subject to the Allocated Funds provisions of this Agreement.

#### **IV. TERM AND TERMINATION**

##### **1.0 CONTRACT TERM**

- 1.1 This Agreement is effective on the Countersignature Date and expires three (3) years after the starting date specified in the Notice to Proceed unless sooner terminated according to the terms of this Agreement.

##### **2.0 NOTICE TO PROCEED**

- 2.1 Contractor shall begin performance under this Agreement on the date specified in a Notice to Proceed from the City Chief Procurement Officer.

##### **3.0 RENEWALS**

- 3.1 Upon expiration of the Initial Term, and so long as the City makes sufficient supplemental allocations, this Agreement will be automatically renewed for two successive one-year terms on the same terms and conditions. If the Director/Chief of the City Department elects not to renew this Agreement, the City Chief Procurement Officer shall notify Contractor in writing of non-renewal at least 30 days before the expiration of the then current term.

##### **4.0 TIME EXTENSIONS**

- 4.1 If Department requests an extension of time to complete its performance, then the City Chief Procurement Officer may, in his or her sole discretion, extend the time so long as the extension does not exceed 180 days. The extension must be in writing but does not require amendment of this Agreement. Contractor is not entitled to damages for delay(s) regardless of the cause of the delay(s).

##### **5.0 TERMINATION FOR CONVENIENCE BY THE CITY**

- 5.1 The City Chief Procurement Officer or Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies, which exist now or in the future.
- 5.2 On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section III unless the fees exceed the allocated funds remaining under this Agreement.
- 5.3 TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

## **6.0 TERMINATION FOR CAUSE BY CITY**

- 6.1 If Contractor defaults under this Agreement, the City Chief Procurement Officer or Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies, which exist now or in the future. Default by Contractor occurs if:
- 6.1.1 Contractor fails to perform any of its duties under this Agreement;
  - 6.1.2 Contractor becomes insolvent;
  - 6.1.3 All or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
  - 6.1.4 A receiver or trustee is appointed for Contractor.
- 6.2 If a default occurs, the City Chief Procurement Officer or Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The City Chief Procurement Officer or Director, at his or her sole option, may extend the termination date to a later date. If the City Chief Procurement Officer or Director allows Contractor to cure the default and Contractor does so to the City Chief Procurement Officer's or Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the City Chief Procurement Officer or Director may terminate this Agreement on the termination date, at no further obligation of the City.
- 6.3 To effect final termination, the City Chief Procurement Officer or Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

## **7.0 TERMINATION FOR CAUSE BY CONTRACTOR**

- 7.1 Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date.
- 7.2 The date must be at least 30 days after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

## **8.0 REMOVAL OF CONTRACTOR OWNED EQUIPMENT AND MATERIALS**

- 8.1 Upon expiration, or termination of this Agreement, Contractor is permitted ten (10) days within which to remove contractor-owned material and equipment from the City's premises. The City shall make such material and equipment readily available to Contractor. The time period may be extended upon approval by the Director. The City reserves the right to deny any extension of time.

## **V. MISCELLANEOUS**

### **1.0 INDEPENDENT CONTRACTOR**

- 1.1 Contractor shall perform its obligations under this Agreement as an independent Contractor

and not as an employee of the City.

## **2.0 FORCE MAJEURE**

- 2.1 Timely performance by both parties is essential to this Agreement. However, neither party is liable for delays or other failures to perform its obligations under this Agreement to the extent the delay or failure is caused by Force Majeure. Force Majeure means fires, floods, explosions, and other acts of God, war, terrorist acts, riots, court orders, and the acts of superior governmental or military authority.
- 2.2 This relief is not applicable unless the affected party does the following:
  - 2.2.1 uses due diligence to remove the Force Majeure as quickly as possible, and
  - 2.2.2 provides the other party with prompt written notice of the cause and its anticipated effect.
- 2.3 The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance does not constitute a default or breach of this Agreement by the City.
- 2.4 If the Force Majeure continues for more than 30 days, the City Chief Procurement Officer or Director may terminate this Agreement by giving 30 days written notice to Contractor. This termination is not a default or breach of this Agreement. CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT AT THE TIME OF THE TERMINATION.

## **3.0 SEVERABILITY**

- 3.1 If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

## **4.0 ENTIRE AGREEMENT**

- 4.1 This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind exist between the Parties regarding this Agreement.

## **5.0 WRITTEN AMENDMENT**

- 5.1 Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance duly adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

## **6.0 APPLICABLE LAWS**

- 6.1 This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.
- 6.2 Venue for any litigation relating to this Agreement is Harris County, Texas.

## **7.0 NOTICES**

- 7.1 All notices to either party to the Agreement must be in writing and must be delivered by hand, facsimile, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in Section I of this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

## **8.0 NON-WAIVER**

- 8.1 If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.
- 8.2 An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

## **9.0 INSPECTIONS AND AUDITS**

- 9.1 City representatives may perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 4 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

## **10.0 ENFORCEMENT**

- 10.1 The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

## **11.0 AMBIGUITIES**

- 11.1 If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

## **12.0 SURVIVAL**

- 12.1 Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

## **13.0 PARTIES IN INTEREST**

- 13.1 This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

## **14.0 SUCCESSORS AND ASSIGNS**

- 14.1 This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

## **15.0 BUSINESS STRUCTURE AND ASSIGNMENTS**

- 15.1 Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the City Chief Procurement Officer's or Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest under Section 9.406(c) of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.
- 15.2 Contractor shall not delegate any portion of its performance under this Agreement without the City Chief Procurement Officer's or Director's prior written consent.

## **16.0 REMEDIES CUMULATIVE**

- 16.1 Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

## **17.0 CONTRACTOR DEBT**

- 17.1 If Contractor, at any time during the term of this Agreement, incurs a debt, as the word is defined in Section 15-122 of the Houston City Code of Ordinances, it shall immediately notify the City Controller in writing. If the City Controller becomes aware that Contractor has incurred a debt, she shall immediately notify Contractor in writing. If Contractor does not pay the debt within 30 days of either such notification, the City Controller may deduct funds in an amount equal to the debt from any payments owed to Contractor under this Agreement, and Contractor waives any recourse therefore.



**EXHIBIT A**  
**[DEFINITIONS]**

As used in this Agreement, the following terms have the meanings set out below:

“Acceptance” shall mean the act of an authorized representative of the City by which the City assumes for itself, approval of specific services as partial or complete performance of the contract.

“Agreement” means this contract between the Parties, including all exhibits, change orders, and any written amendments authorized by City Council and Contractor.

“ARA” shall be defined as Administration and Regulatory Affairs.

“CAMS” shall be defined as Certified Address Matching Software.

“CASS” shall be defined as Coding Accuracy Support System.

“City” is defined in the preamble of this Agreement and includes its successors and assigns.

“City Chief Procurement Officer” is defined as the person or duly authorized successor, authorized in writing to act for the City. The term includes, except as otherwise provided in this Contract, the authorized representative of the City Chief Procurement Officer acting within the limits of delegated authority.

“COH” shall be defined as the City of Houston.

“Contract Administrator” means the representative of the Department who is responsible for the administration for the Contract.

“Contract Award Notice” means the official notification substantiated by the Notice to Proceed issued by the City Chief Procurement Officer to the Contractor.

“Contract Charges” means charges that accrue during a given month as defined in Article III.

“Contract Term” is defined in Article IV.

“Contractor” is defined in the preamble of this Agreement and includes its successors and assigns.

“Countersignature Date” means the date this Agreement is countersigned by the City Controller.

“Director” mean the Directors/Chiefs of each of the Departments or the City Chief Procurement Officer for the City, or the person he or she designates.

“Effective Date” is defined as date contract is countersigned by the City Controller.

“Governing Body” means the Mayor and City Council of the City of Houston.

“Hazardous Materials” is defined in Article II (Environmental Laws).

“NCOA” shall be defined as National Change of Address.

“Notice to Proceed” means a written communication from the City Chief Procurement Officer to Contractor instructing Contractor to begin performance.

“Parties” mean all the entities set out in the Preamble who are bound by this Agreement.

“PM” shall be defined as Project Manager.

“PWE” shall be defined as the Department of Public Works and Engineering.

“UCS” shall be defined as Utility Customer Services.

“USPS” shall be defined as United States Postal Service.

**EXHIBIT B**  
**SCOPE OF SERVICES**

(To be inserted by the City at the time of contract execution)

**EXHIBIT C**  
**[EQUAL EMPLOYMENT OPPORTUNITY]**

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.

2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.

3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.

5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.

6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.

7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

**EXHIBIT D**  
**[M/WBE SUBCONTRACT TERMS]**

(To be inserted by the City at the time of contract execution)

**EXHIBIT E**  
**[DRUG POLICY COMPLIANCE AGREEMENT]**

(To be inserted by the City at the time of contract execution)

**EXHIBIT F**  
**[CONTRACTOR'S CERTIFICATION OF NO SAFETY IMPACT POSITIONS**  
**IN PERFORMANCE OF A CITY CONTRACT]**

I, \_\_\_\_\_  
**(Name - Print/Type)** **(Title)**

as an owner or officer of \_\_\_\_\_ (Contractor)  
have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has no  
employee safety impact positions as defined in §5.18 of Executive Order No. 1-31 that will be involved in  
performing this City Contract. Contractor agrees and covenants that it shall immediately notify the City's  
Director of Personnel if any safety impact positions are established to provide services in performing this  
City Contract.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

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**CONTRACTOR'S CERTIFICATION OF NON-APPLICATION OF**  
**CITY OF HOUSTON DRUG DETECTION AND DETERRENCE PROCEDURES**  
**FOR CONTRACTORS**

I, \_\_\_\_\_  
**(Name - Print/Type)**

as an owner or officer of \_\_\_\_\_ (Contractor)  
have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has fewer  
than fifteen (15) employees during any 20-week period during a calendar year and also certify that  
Contractor has no employee safety impact positions as defined in §5.18 of Executive Order No. 1-31 that  
will be involved in performing this City Contract. Safety impact position means a Contractor's employment  
position involving job duties that if performed with inattentiveness, errors in judgment, or diminished  
coordination, dexterity, or composure may result in mistakes that could present a real and/or imminent  
threat to the personal health or safety of the employee, co-workers, and/or the public.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

**EXHIBIT G**  
**[DRUG POLICY COMPLIANCE DECLARATION]**

(To be inserted by the City at the time of contract execution)



**EXHIBIT H**  
**[FEES AND COSTS]**

(To be inserted by the City at the time of contract execution)

**EXHIBIT I**  
**[PAY OR PLAY]**

(To be inserted by the City at the time of contract execution)